

State of Michigan  
**FAMILY INDEPENDENCE AGENCY**

---

M E M O R A N D U M

---

**To: Jim Nye ,Director FSA**

**From: Rita J. Barker, Director , Office of Internal Audit**

**Date: September 29, 1998**

**Subject: Menominee County Local Office Limited Scope Audit-#98-193**

The Office of Internal Audit performed a limited scope audit of Menominee County FIA for the period October 1, 1997 through June 30, 1998. The objectives of our audit were to determine if internal controls in place at the local office provide reasonable assurance that department assets are safe guarded, transactions are properly recorded on a timely basis, and policies and procedures of the Michigan Family Independence Agency (FIA) are being followed.

Menominee County FIA had 27 full time equated positions (FTE's) at the time of our review. Menominee County FIA provided assistance to 1403 recipients per month during FY 1997, with total assistance payments of \$1,790,047 during that year

Our audit was conducted in accordance with Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. We obtained descriptions of significant systems operating at Menominee County FIA, documented those systems, and evaluated controls in each system. We tested the systems for compliance, where feasible. We included the following systems:

Client Processing	CIS
Cash Disbursements	Cash Receipts
General Ledger	Safe & Controlled Documents
Modified Accrual Balance Sheet	IRS Information Security
Accounts Receivable	Food Stamps
ENP/SER Program	Medical Transactions
Phone Usage	

Based on our limited scope audit, we concluded that the Menominee County FIA internal controls are generally adequate to provide management with reasonable assurance that assets are safeguarded and transactions are executed in accordance with management's authorization.

**cc: Nancy DeWees, Zone Manager**  
**Steven Lieburn, Director**

Mark Jasonowicz  
Sandy Zwemer